

The logo for United Mail, featuring the words "UnitedMail" in a white sans-serif font on a blue rectangular background.

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April 6, 2021

The Honorable Michael Kubayanda, Chairman
Postal Regulatory Commission
901 New York Avenue, NW, Suite 200
Washington, DC 20268

Re: U.S. Postal Service Waiver Request

Dear Chairman Kubayanda:

United Mail was founded in 1978 as a direct result of the USPS's work sharing program of presorting First Class Mail. United Mail with two locations, Louisville, Ky. and Cincinnati, Ohio, has grown to over two hundred employees and serves many Fortune 500 and regional companies. United Mail's welfare is tied to First Class Mail and it is very concerning to watch the steady increase in cost to our customers. As a result of these spiraling costs our customers are constantly looking for alternate solutions for delivery of their First Class Mail information.

United Mail opposes the Postal Service's March 26, 2021 waiver request to delay improvements to the workshare discount for First Class Mail sorted to the 5-Digit level. Specifically, the Postal Service seeks to maintain the current 5-Digit workshare discount at 3.0 cents, rather than increase the discount to 3.5 cents to move it closer to rate that fully reflects the full value of the work performed by mailers and mail service performers. The Commission should deny the waiver request.

The Commission's recently adopted final rules for market dominant (mail) products had two primary components. The rules grant the Postal Service above-inflation pricing authority, while requiring that the Postal Service improve workshare discounts to improve its pricing and operational efficiency. The Postal Service's request to delay the workshare improvements that it opposes, while taking advantage of the above-inflation pricing authority that it supports, is unfair and inconsistent with the comprehensive approach approved by the Commission.

For the same reasons, the Postal Service's argument that the waiver is necessary to help mitigate the potential negative effects of rate shock in adjusting the 5-Digit discount by 0.5 cents was unbelievable to read. Mailers [like us, or like our clients] would welcome a larger discount and the only foreseeable effect would be increased volumes of more efficient First-Class Mail. The rate stability concerns ring hollow where, as here, the Postal Service is simultaneously planning a massive price increase on the

same mailers. The above-inflation price increases would be even more burdensome without the offsetting increase in the 5-Digit discount.

The waiver request is also unjustified. The Commission Order adopting the final rules made clear that waiver requests intended to address exceptional circumstances where improving a workshare discount would impede rather than promote efficiency. The Postal Service's waiver request fails to identify any operational strategy that would be impeded by improving the 5-Digit discount. The Postal Service's request also fails to include any analysis as required by the Commission rules.

Mail is of critical importance to our business, and the work we do adds value to mail in many ways. We presort and barcode mail, entering in the most efficient manner possible. The intelligent data we provide to the Postal Service is the foundation for a long list of initiatives it uses to reduce costs, improve service, and grow mail usage. Our employees act as a front-line sales force for the Postal Service, selling its products and services to our customers. We also provide ongoing customer training and education on postal programs. All of our work is supported by workshare discounts that are set in keeping with the direction the Commission's rules establish. Approving the USPS' waiver request would negatively impact our ability to continue bringing value to mail and mail users.

Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in dark ink that reads "Tom Clines". The signature is fluid and cursive, with the first name "Tom" and last name "Clines" clearly distinguishable.

Thomas D Clines, CEO
United Mail, LLC